

Social Investment Organization

# Three-Year Workplan Priorities

As approved by the SIO Board, November 25, 2009

## **SIO's Three-Year Workplan Priorities 2010-2012**

### **Background**

In June 2008, SIO's Board approved a three-year workplan mandating activity through to June 2011. The workplan is the master document of the organization's budget and work priorities, setting out annual targets (milestones) and providing the framework for annual budgets. As a three-year document, it is updated annually, rolling forward each year with new activities.

### **2010 workplan**

#### ***Core programs***

The core programs are SIO's foundational activities, the activities that are considered high priority items that help to build an industry identity (the SRI brand), a nurturing public policy environment and the fundamental social capital of the industry, augmenting the relationship building of the members.

This includes SIO's membership development activity, which provides funding for the operations of the organization in addition to building additional product and client demand. The communications program (the listserve, website, monthly news digest and media relations activity) is also included as a core activity as a means of building the SRI brand.

The SRI Review is an important branding exercise because it is the basic report on the state-of-the-industry, providing basic data on trends and helping to create an industry "boundary" (ie who is a member of the industry and who is not a member of the industry). The current policy and advocacy activity is considered a core activity because it helps to create a nurturing public policy environment for the industry, an activity that clearly benefits all industry players. And finally, the annual conference and advisor dinners help to build the fundamental social capital of the industry. This has a number of benefits to the industry; helping to create a shared understanding of the values of the industry, creating a better understanding of the SRI brand, along with opportunities for collaboration. The annual conference also helps to communicate state-of-the-art practice to a wider audience in the SRI industry, helping to disseminate best practices to a larger proportion of the market.

#### ***In-progress programs***

In-progress programs are activities that have been identified as priority activities, but have been rolled out relatively recently. As such, they are not well-established activities. Instead they represent new areas of activity that are expected to become core activities as the organization progresses through its goals.

The advisor education course is also a major priority, particularly for SIO's retail mutual fund members. This course represents the SIO's key strategy is combating lack of awareness of SRI by the advisor

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community, which has been identified as a key barrier to retail SRI growth. The program was launched in late 2009.

The academic partnership is also a major priority as academic research is a source of future industry innovation. And domestic academic research is key to this so that the Canadian industry can directly benefit from Canadian knowledge mobilization. SIO's participation in the Canadian Business Ethics Research Network and the Carleton University Responsible Investment Initiative has given support to Canadian researchers at York University and Carleton. Further, SIO's participation in a new funding application by Carleton to the Social Sciences and Humanities Research Council for a Community University Research Alliance will, if successful, forge even closer links between academic research and practitioner needs.

French language services are in this category since the Board has established the goal of full service to its French-language members, but the organization is limited in its ability to deliver such services. In 2008-09, SIO allocated additional resources for translation, but the organization is still many years away from the goal of offering full French language service.

### ***Aspirational programs***

These are programs that have been identified as having solid potential to benefit the industry in the future, but there are currently few or no resources to mount them. Permanent public policy capacity is an example of this. Certainly additional public policy resources could help to advance the public policy agenda markedly. To help to bring this about, SIO and the TIDES Foundation created the Fund for Action on Investment Responsibility. The fund raised modest resources in 2008-09 to conduct an important study on the ESG factors that contributed to the financial crisis. SIO needs to commit resources to develop successful funding proposals.

Another important aspirational program is the pension roundtable. The pension roundtable represents SIO's suggestion to the pension funds that they join with the for-profit side of the industry to help advance their own interests in SRI, and the interests of the SRI sector as a whole. To further this objective, SIO released a report in late 2009 outlining best practices in socially responsible investment for pension funds.

The foundation and endowments initiative represents another aspirational program. As demonstrated by the report, *Education and Training on Responsible Investment for Canadian Foundations and Endowments*, training and education in this area is very limited. Current economic realities prevent the foundation sector from mounting a major initiative in this area, so a collaboration with SIO involving other funders is the logical way of proceeding. Work will continue in this area in 2010.

SIO will also continue work on an initiative to develop an investment tool for community investment. The nature of the vehicle is not yet known but certainly the Calvert Community Investment Note will be examined carefully as a potential model. This is an important new mandate for the SIO since it does not currently have a mandate to pursue activity on community investing.

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A group of Quebec members have proposed another aspirational collaboration with SIO, proposing the formation of a new Quebec SRI network. The members believe that there is interest a Quebec French language group that could accelerate development of SRI in Quebec. The board has approved action to further this initiative.

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## Milestones Revised Three-Year Growth Plan 2010-2012

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Here is an overview of the three year milestones to enable the SIO Board to measure the organization's progress in meeting SIO's service goals.

| <b>Service</b>                      | <b>2010</b>   | <b>2011</b>  | <b>2012</b>   |
|-------------------------------------|---|--|---|
| <b>Conference + advisor dinners</b> | 250 attendees (includes 100 advisors)<br>8 advisor dinners in 7 cities  | 275 attendees (includes 100+ advisors)   | 300 attendees (includes 100+ advisors)  |
| <b>SRI Review</b>                   |   | Release of study – February 2011<br>Greater international collaboration  |   |
| <b>Academic partnership</b>         | Collaboration during research period  | Dissemination of research, encouragement of innovations  | Integration of research findings into product development, SRI processes  |
| <b>Advisor education program</b>    | Delivered to 20 Advocis chapters + summer schools<br><br>Development of Quebec strategy<br><br>Investigation of online course | Delivered to 20 Advocis chapters + summer schools<br><br>Quebec course fully available to financial planning firms<br><br>Encouragement of advanced courses by SIO members<br><br>Consideration of roll out of online course | Potential implmentation of online course<br><br>Encouragement of integrated SRI training by banks, financial planning firms, brokerages |
| <b>Foundation &amp; Endowments</b>  | Conception of training program in collaboration   | Program rolled out and delivered to 12 foundations/universiti  | Program rolled out and delivered to 12 foundations/universiti   |

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|--|---|--|--|
|  | with foundation umbrella groups<br><br>Impact investing feasibility study underway  | es<br><br>Impact investing study complete, Potential launch of impact investing mechanism  | es<br><br>Increasing assets in proposed impact investing mechanism                                     |
| <b>Pension Roundtable</b>                          | Roundtable meets twice/year<br><br>Target of \$10,000 revenue<br><br>Conception of training program with pension sector   | Roundtable meets twice/year<br><br>Increasing collaboration on shareholder engagement  | Roundtable meets twice/year<br><br>Increasing collaboration on shareholder engagement, ESG integration |
| <b>Policy &amp; advocacy</b>                       | Funding for program through FAIR<br><br>KYC initiative approved<br><br>Pension disclosure approved in Ontario   | Major study (ies) to be released<br><br>OSC disclosure policy + national instrument in place   | Funding for permanent policy capability  |
| <b>Policy &amp; advocacy cont'd</b>                | Development of ESG disclosure policy by OSC   |  |  |
| <b>Communications</b>                              | PR Committee develops long-term strategy<br><br>Streamlining SIO's member communications<br><br>Development of social media strategy<br><br>Development of CRM strategy<br><br>Consideration of SRI Service Award | CRM strategy fully implemented<br><br>Integrated CRM/social media/communications strategies<br><br>Potential implementation of SRI Service Award | On-going guidance by PR Committee<br><br>Integrated CRM/social media/communications strategies         |
| <b>French Language Services/Quebec association</b> | Translation of key services<br><br>Exploration of funding for   | Translation of key services<br><br>Provision of key French language  | Translation of key services<br><br>Partnership with AQIR implemented if                                |

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|                   | additional service<br>Potential partnership development with proposed Quebec group | services<br>Potential partnership with Quebec group implemented, if feasible | feasible   |
| <b>Membership</b> | 10% increase in associate revenue<br>20% increase in professional advisors         | 10% increase in associate revenue<br>20% increase in professional advisors   | 10% increase in associate revenue<br>20% increase in professional advisors |

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